



漢微科

# Investor Conference

## AGENDA

- 2015 Highlights and Financial Results
- 2016 Market status and Outlook
- Q & A

## Presented by

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# Safe Harbor Statement

- **HMI's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.**
- **Please consider these forward-looking statements carefully because such statements are only our expectations or projections about future events, and actual results may differ materially from those expressed or implied by such statements.**
- **The forward-looking statements contained in this presentation are made only as of the date of this presentation and we undertake no obligation to update the forward-looking statements to reflect subsequent events or circumstances, except as required by law.**

# 2015 Highlight

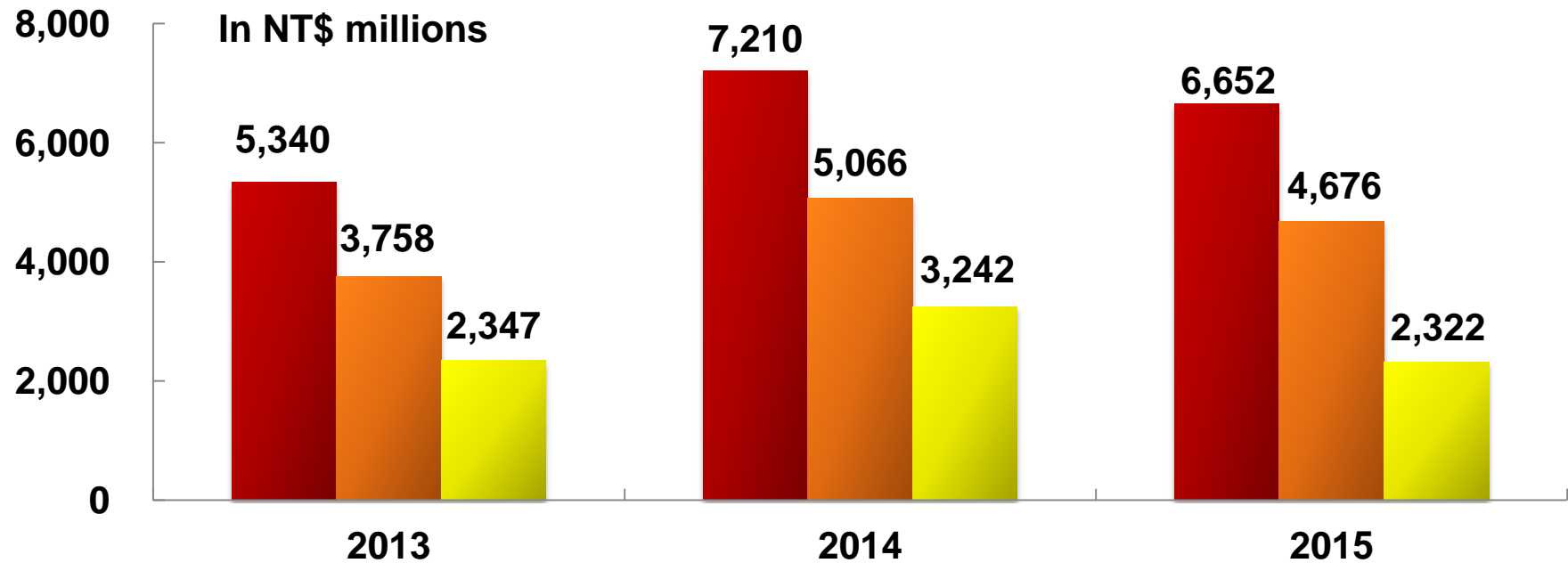
- Revenue derailed mostly by a push-out from a major fab
  - Revenue \$6,652M (NTD)
  - Operating income \$2,471M
  - EPS \$32.7
- Continued to maintain global EBI market leadership position and with >85% market share
- Has made significant improvement on tool productivity targeting for production applications in memory and logic fabs
- Due to strong demand for new EBI solutions, collaborations with tier one fabs and equipment suppliers intensified.

# 2015 Consolidated Income Statements

In NT\$ thousands

	1Q 2015	%	2Q 2015	%	3Q 2015	%	4Q 2015	%	2015	%
Net Revenue	1,572,758	100	2,305,840	100	1,048,275	100	1,724,932	100	6,651,805	100
Cost of Revenue	(463,781)	(30)	(684,318)	(30)	(310,767)	(30)	(516,570)	(30)	(1,975,436)	(30)
<b>Gross Profit</b>	1,108,977	70	1,621,522	70	737,508	70	1,208,362	70	4,676,369	70
Selling Expenses	(149,189)	(10)	(144,215)	(6)	(113,166)	(11)	(134,864)	(8)	(541,434)	(8)
G&A Expenses	(126,003)	(8)	(129,181)	(6)	(110,813)	(10)	(103,910)	(6)	(469,907)	(7)
R&D Expenses	(322,282)	(20)	(381,166)	(16)	(270,770)	(26)	(220,064)	(13)	(1,194,282)	(18)
Total Operating Expenses	(597,474)	(38)	(654,562)	(28)	(494,749)	(47)	(458,838)	(27)	(2,205,623)	(33)
<b>Income from Operations</b>	511,503	32	966,960	42	242,759	23	749,524	43	2,470,746	37
Non-operating Income and Expenses	(22,155)	(1)	(49,053)	(2)	318,721	30	44,075	3	291,588	5
Income before Income Tax	489,348	31	917,907	40	561,480	54	793,599	46	2,762,334	42
Income Tax Expenses	(49,129)	(3)	(228,244)	(10)	(95,521)	(9)	(67,692)	(4)	(440,586)	(7)
<b>Net Income</b>	440,219	28	689,663	30	465,959	44	725,907	42	2,321,748	35
Other Comprehensive Income	(9,648)	(1)	(12,531)	(1)	54,322	5	(37,290)	(2)	(5,147)	-
	430,571	27	677,132	29	520,281	50	688,617	40	2,316,601	35
<b>Basic EPS</b>	6.17		9.69		6.64		10.22		32.70	
<b>Diluted EPS</b>	6.16		9.68		6.63		10.17		32.64	

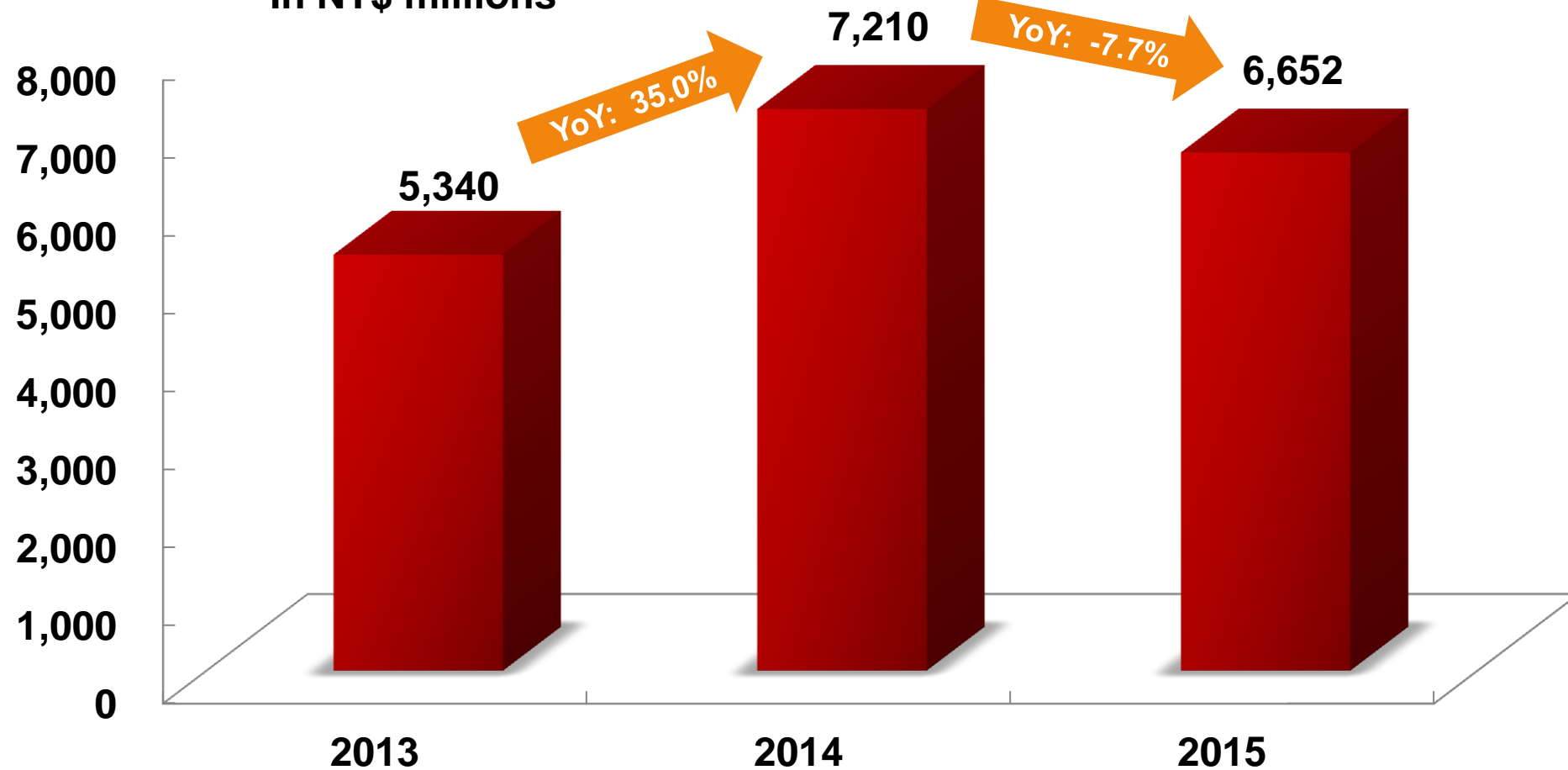
# Consolidated Performance of the Past 3 Years



In NT\$ millions	2013		2014		2015	
<span style="color: red;">■</span> Net Sales	5,340		7,210		6,652	
<span style="color: orange;">■</span> Gross Profit / Gross Profit Margin	3,758	70%	5,066	70%	4,676	70%
<span style="color: yellow;">■</span> Net Income / Net Profit Margin	2,347	44%	3,242	44%	2,322	35%

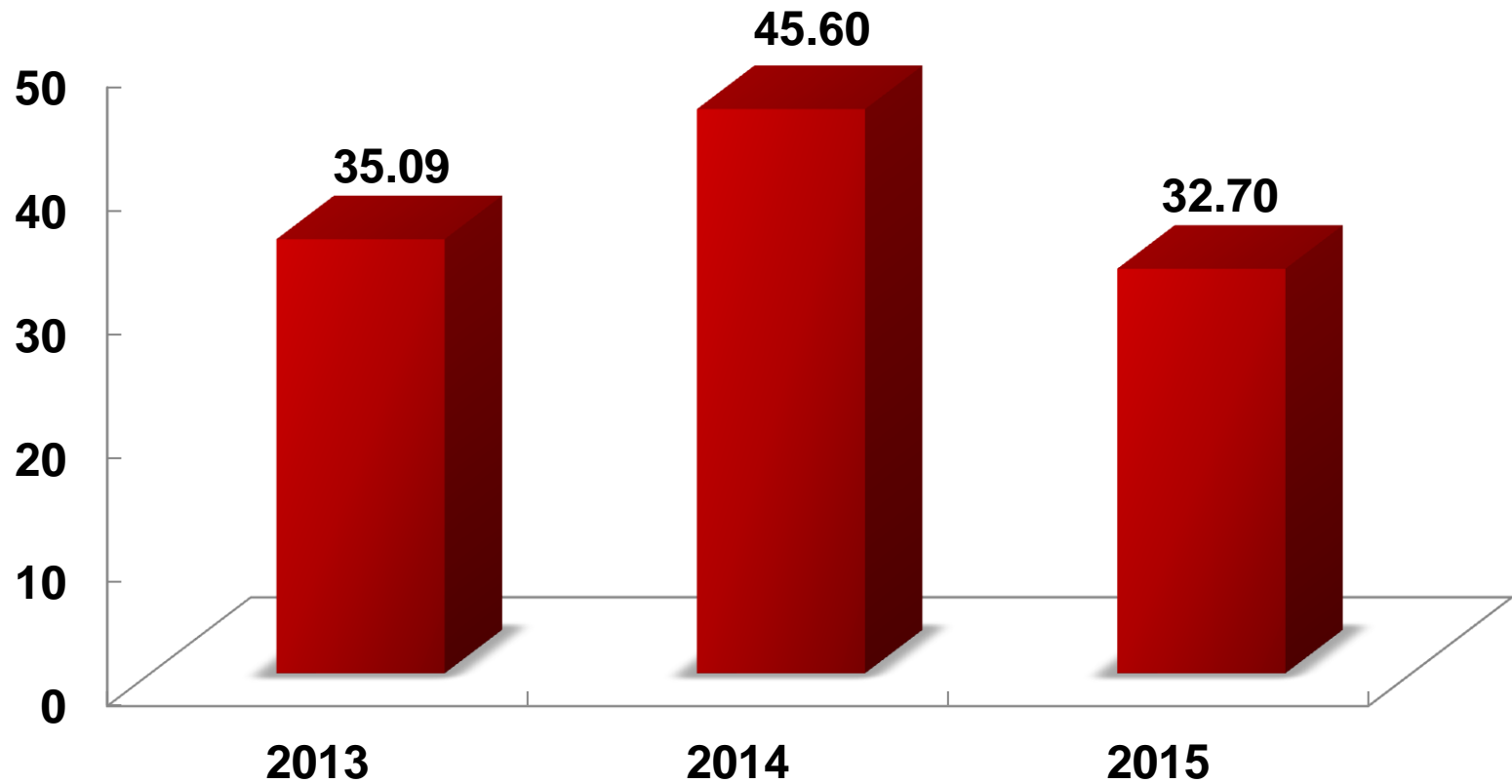
# Consolidated Net Sales of the Past 3 Years

In NT\$ millions



# Consolidated EPS of the Past 3 Years

In NT\$



# 2015/12/31 Balance Sheet

In NT\$ thousands

	4Q15	%	3Q15	%	4Q14	%
Cash and cash equivalents	8,559,779	51	9,784,463	65	7,396,471	49
Financial asset at fair value through profit or loss	-	-	613,368	4	1,101,805	7
Bond investments without active markets -current	2,828,250	17	-	-	1,266,000	8
Accounts receivable	1,359,297	8	1,429,793	9	2,681,917	18
Other receivables	3,760	-	5,761	-	7,306	-
Inventory	2,634,265	16	2,720,597	18	1,744,812	12
Prepayments	160,236	1	100,562	1	94,412	1
Other current assets	60,855	-	45,742	-	4,851	-
Available-for-sale financial assets -noncurrent	32,524	-	32,524	-	7,450	-
Property, plant and equipment	975,021	6	958,395	6	749,531	5
Intangible assets	25,203	-	23,504	-	12,357	-
Deferred income tax assets	56,639	1	50,129	1	50,129	-
Other noncurrent assets	9,452	-	9,601	-	9,435	-
<b>Total assets</b>	<b>16,705,281</b>	<b>100</b>	<b>15,774,439</b>	<b>100</b>	<b>15,126,476</b>	<b>100</b>
Accounts payable	106,129	1	197,546	1	177,559	1
Other payables	1,734,318	10	1,640,241	11	1,158,702	7
Current income tax liabilities	182,404	1	123,152	1	267,987	2
Provision for liability	1,808,182	11	1,693,059	11	1,471,138	10
Other current liabilities	105,292	-	81,331	1	87,053	1
Noncurrent Liabilities	132,689	1	95,257	-	89,073	-
Equity	12,636,267	76	11,943,853	79	11,874,964	79
<b>Total liabilities and equity</b>	<b>16,705,281</b>	<b>100</b>	<b>15,774,439</b>	<b>100</b>	<b>15,126,476</b>	<b>100</b>

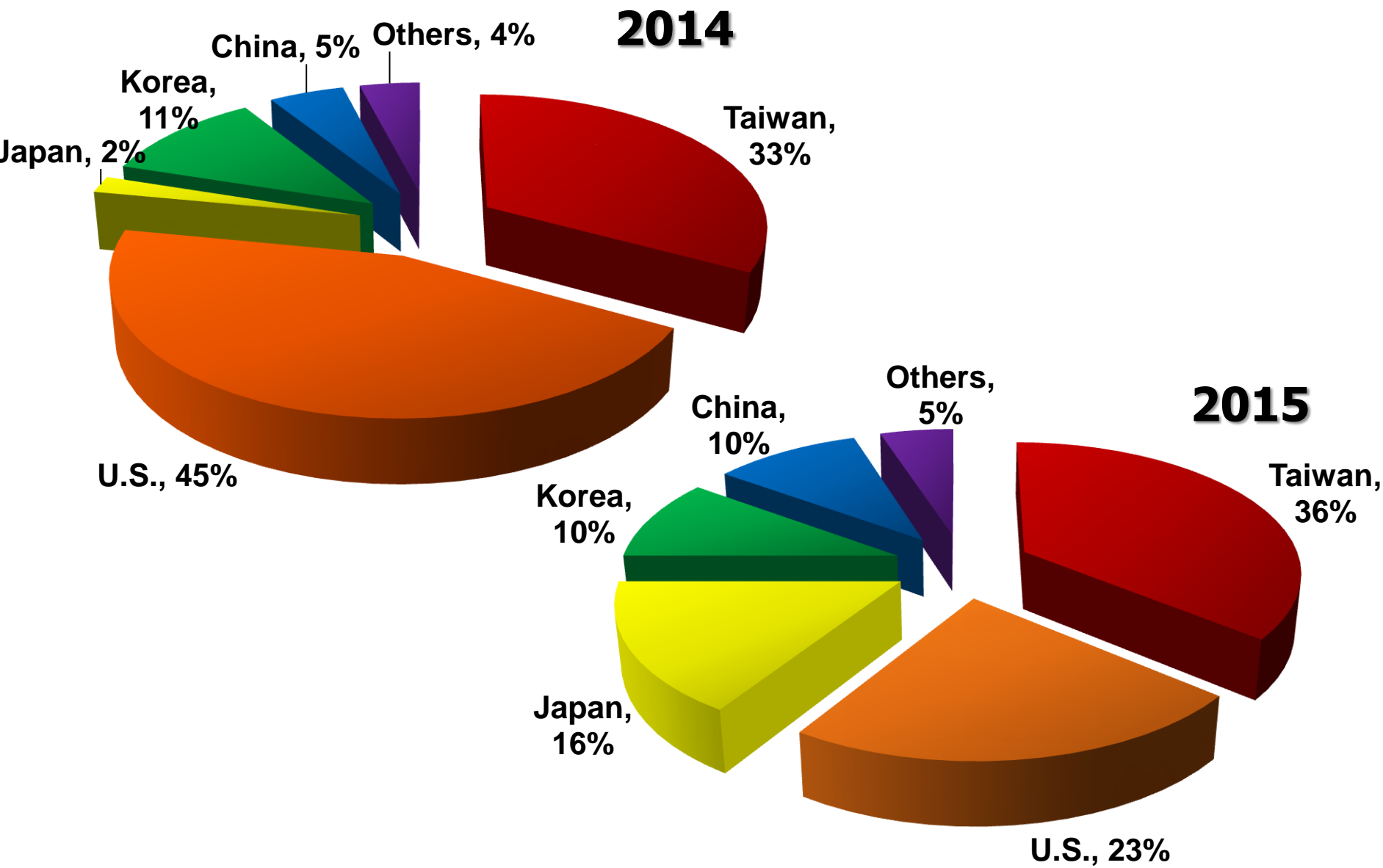


# 2015 Cash Flows

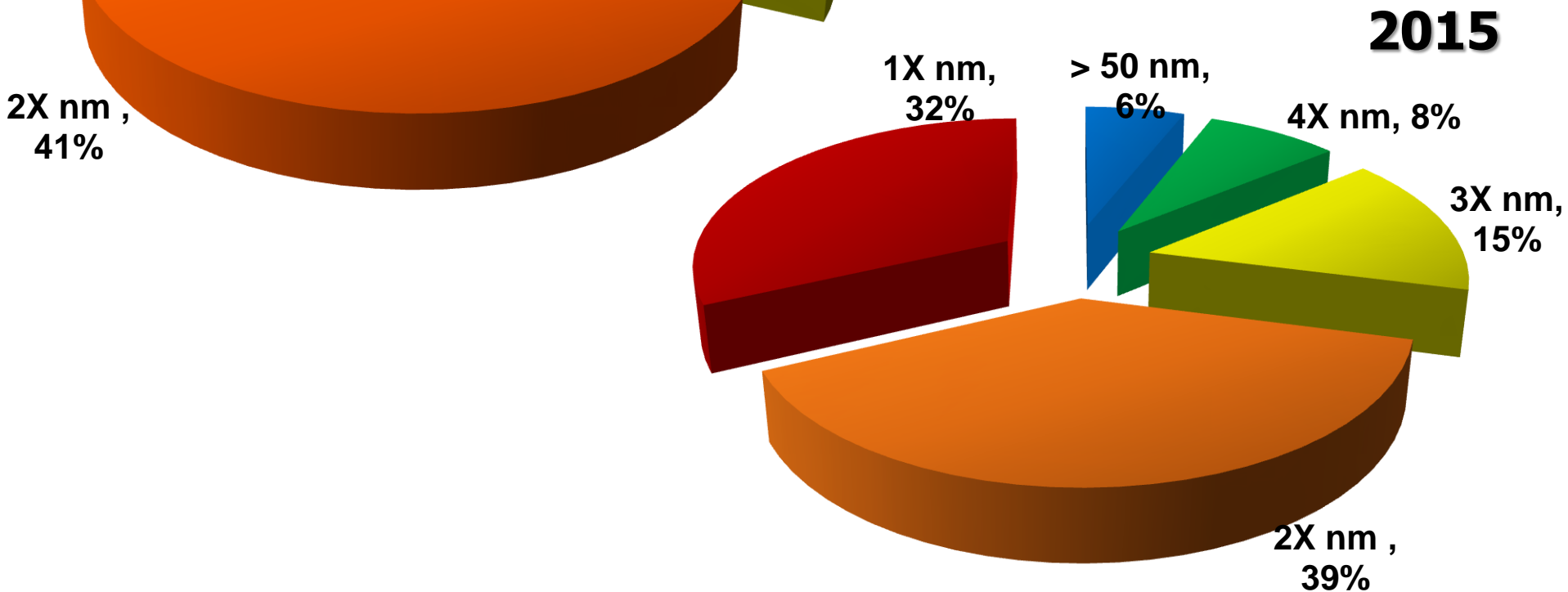
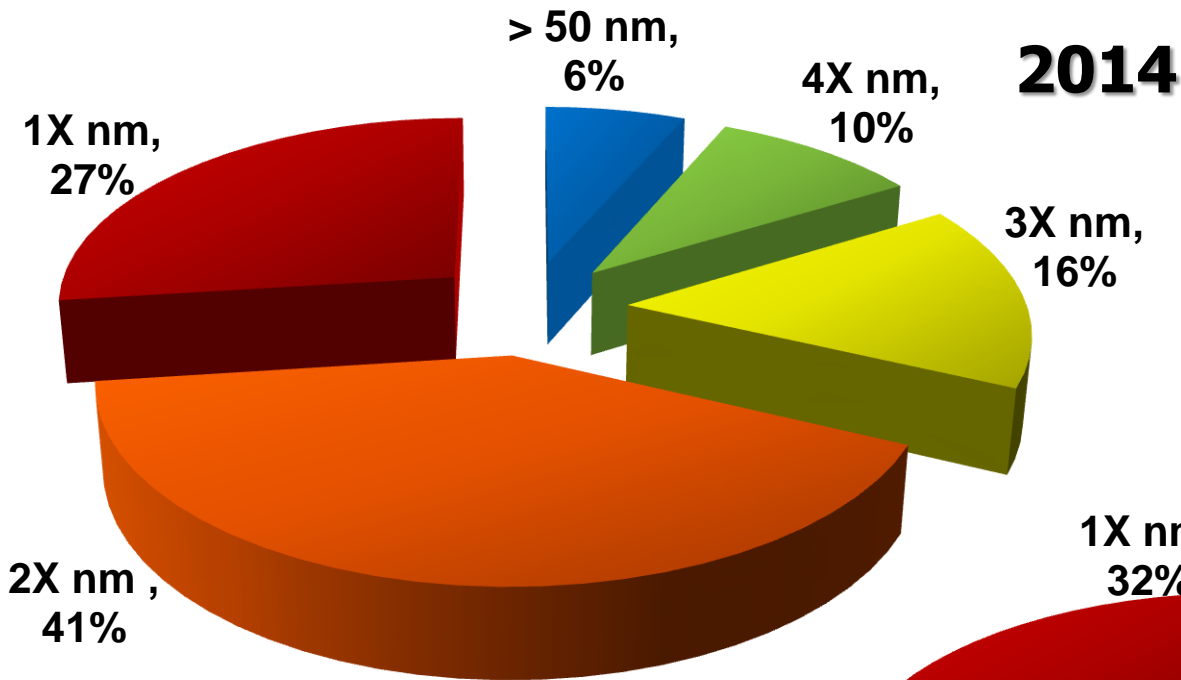
In NT\$ thousands

	2015	2014
Cash and cash equivalents at beginning of year	7,396,471	5,370,702
Cash inflow from operating activities	3,586,888	3,129,610
Acquisition (Disposal) of investments and financial assets	1,107,868	(1,100,000)
Acquisition (Disposal) of bond investments without active markets -current	(1,562,250)	1,625,085
Capital Expenditure	(326,363)	(489,032)
Cash dividends paid	(1,562,000)	(1,136,000)
Others	(80,835)	(3,894)
Cash and cash equivalents at end of year	8,559,779	7,396,471

# Revenue Distribution by Regions

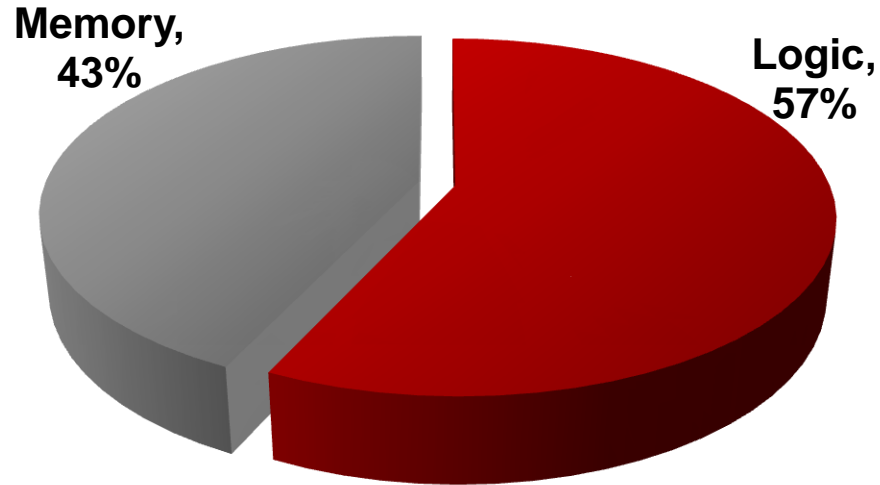


# Accumulated Tool Usage by Nodes



# Revenue Breakdown

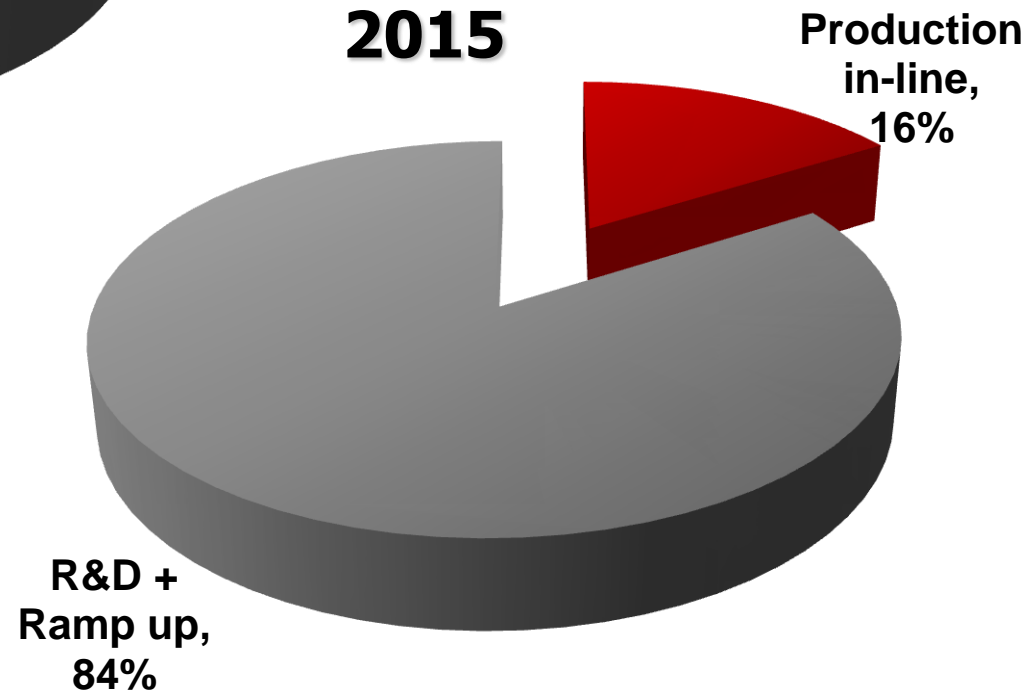
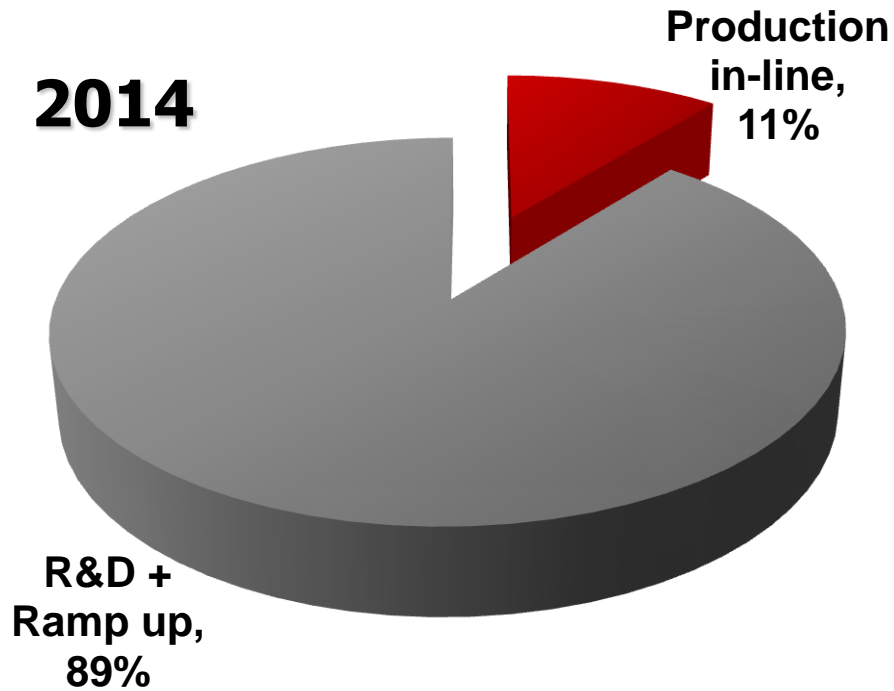
**2014**



**2015**



# Revenue Breakdown by application



# 2016 Outlook

- Strong customer demand on EBI solution for advanced tech node HVM, specifically for < 10nm nodes
- Competition intensified but HMI is well-positioned and will continue to maintain EBI market leadership position
- Will invest heavily in the development of high productivity and massive parallel scanning technologies/tools for HVM / production inline applications
- Continue sales growth, maintain margin and profitability
  - expect m-to-m or Q-to-Q fluctuation
  - weak Q1, sales growth back on track starting from Q2
  - with 3 month visibility

# Q & A

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